## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6985 NOTE PREPARED:** Jan 5, 2014

BILL NUMBER: HB 1079 BILL AMENDED:

**SUBJECT:** Student Transfers.

FIRST AUTHOR: Rep. Karickhoff BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation</u>: This bill provides that a school corporation that has adopted a policy not to accept student transfers after June 30, 2013, is not prohibited from enrolling a member of a household in which any other member of the household was a transfer student who attended a school within the school corporation during the 2012-2013 school year.

The bill provides that in the event a school corporation enrolls a transfer student or a member of the same household of a transfer student that attended a school corporation during the 2012-2013 school year, the school corporation shall also allow a student or member of the same household of a student who attended an accredited nonpublic school within the attendance area of the school corporation during the 2012-2013 school year to enroll in a school within the school corporation.

Effective Date: July 1, 2013 (retroactive).

**Explanation of State Expenditures:** The state could have some additional state tuition support expenditures due to the bill. However, if additional tuition support expenditures exceed the tuition support appropriation, the tuition support distribution to local schools would be proportionately reduced by the amount of the excess. The impact is probably minor since there are probably few students who meet the requirements of the bill.

The bill provides for a student or member of the student's household to attend public school in a school corporation that is not the corporation where the student resides if: (1) another member of the household was allowed to transfer into the corporation during the 2012-13 school year; (2) the student attended a nonpublic school located in the attendance area of that school corporation during the 2012-13 school year; and (3) the

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school corporation has adopted a policy to not accept student transfers after June 30, 2013.

## **Explanation of State Revenues:**

<u>Explanation of Local Expenditures:</u> Schools could have some additional expenditures due to the additional transfer students. The additional expenditures would be offset by additional state tuition support for the student.

**Explanation of Local Revenues:** The bill should have a minor fiscal impact. It could increase revenue to a local school by a minor amount.

Currently, there are about 26,511 student transfers. Approximately 76% of the school corporations (230 out of 289) report accepting transfer students.

## **State Agencies Affected:**

**Local Agencies Affected:** School corporations.

**Information Sources:** Department of Education databases.

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